

Article - Real Property

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§7-401.

(a) In this subtitle the following words have the meanings indicated.

(a-1) “Commissioner” means the Commissioner of Financial Regulation in the Maryland Department of Labor.

(b) “Document” includes applications, appraisal reports, HUD-1 settlement statements, W-2 forms, verifications of income or employment, bank statements, tax returns, payroll stubs, and any required disclosure.

(c) “Homeowner” means:

(1) A record owner of residential real property; or

(2) An individual occupying the residential real property under a use and possession order issued under Title 8, Subtitle 2 of the Family Law Article.

(d) “Mortgage fraud” means any action by a person made with the intent to defraud that involves:

(1) Knowingly making any deliberate misstatement, misrepresentation, or omission during the mortgage lending process with the intent that the misstatement, misrepresentation, or omission be relied on by a mortgage lender, borrower, or any other party to the mortgage lending process;

(2) Knowingly creating or producing a document for use during the mortgage lending process that contains a deliberate misstatement, misrepresentation, or omission with the intent that the document containing the misstatement, misrepresentation, or omission be relied on by a mortgage lender, borrower, or any other party to the mortgage lending process;

(3) Knowingly using or facilitating the use of any deliberate misstatement, misrepresentation, or omission during the mortgage lending process with the intent that the misstatement, misrepresentation, or omission be relied on by a mortgage lender, borrower, or any other party to the mortgage lending process;

(4) Receiving any proceeds or any other funds in connection with a mortgage closing that the person knows resulted from a violation of item (1), (2), or (3) of this subsection;

(5) Conspiring to violate any of the provisions of item (1), (2), (3), or (4) of this subsection; or

(6) Filing or causing to be filed in the land records in the county where a residential real property is located, any document relating to a mortgage loan that the person knows to contain a deliberate misstatement, misrepresentation, or omission.

(e) (1) “Mortgage lending process” means the process by which a person seeks or obtains a mortgage loan.

(2) “Mortgage lending process” includes:

(i) The solicitation, application, origination, negotiation, servicing, underwriting, signing, closing, and funding of a mortgage loan; and

(ii) The notarizing of any document in connection with a mortgage loan.

(f) “Mortgage loan” has the meaning stated in § 11–501 of the Financial Institutions Article.

(g) “Pattern of mortgage fraud” means two or more incidents of mortgage fraud that:

(1) Involve two or more residential real properties; and

(2) Have similar intents, results, accomplices, victims, or methods of commission or otherwise are interrelated by distinguishing characteristics.

(h) “Residential real property” means real property improved by four or fewer single family dwelling units.

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